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SERVICE DATE – JANUARY 28, 2015

DO

FR-4915-01-P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[Docket No. FD 35898]

R. J. Corman Railroad Group, LLC, and R. J. Corman Railroad Company, LLC—
Continuance in Control Exemption—R. J. Corman Railroad Company/Carolina Lines,
LLC

R. J. Corman Railroad Group, LLC (RJC-Group) and R. J. Corman Railroad
Company, LLC (RJCRC) (collectively, Applicants) have filed a verified notice of
exemption pursuant to 49 C.F.R. § 1180.2(d)(2) to continue in control of R. J. Corman
Railroad Company/Carolina Lines, LLC (RJC-Carolina), a noncarrier, upon RJC-
Carolina's becoming a Class III rail carrier.

This transaction is related to a concurrently filed verified notice of exemption in
R. J. Corman Railroad/Carolina Lines—Acquisition & Operation Exemption—Baltimore
& Annapolis Railroad, Docket No. FD 35897, in which RJC-Carolina seeks Board
approval under 49 C.F.R. § 1150.31 to acquire and operate two interconnected rail lines
totaling approximately 74.9 miles in North Carolina and South Carolina (the Line). RJC-
Carolina also seeks to acquire one mile of incidental, local trackage rights at or near
Whiteville, N.C.

Applicants state that they intend to consummate the proposed transaction on or about February 11, 2015, the effective date of the exemption (30 days after the verified notice was filed).

Applicants represent that: (1) RJC-Carolina will not connect with any other railroad directly or indirectly controlled by Applicants; (2) the transaction is not part of a series of anticipated transactions that would result in such a connections; and (3) the transaction does not involve a Class I rail carrier. Therefore, the transaction is exempt from the prior approval requirements of 49 U.S.C. § 11323. See 49 C.F.R. § 1180.2(d)(2).

Under 49 U.S.C. § 10502(g), the Board may not use its exemption authority to relieve a rail carrier of its statutory obligation to protect the interests of its employees. Section 11326(c), however, does not provide for labor protection for transactions under §§ 11324 and 11325 that involve only Class III rail carriers. Accordingly, the Board may not impose labor protective conditions here because all of the carriers involved are Class III carriers.

If the verified notice contains false or misleading information, the exemption is void ab initio. Petitions to revoke the exemption under 49 U.S.C. § 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the effectiveness of the exemption. Petitions to stay must be filed no later than February 4, 2015 (at least seven days before the exemption becomes effective).

An original and 10 copies of all pleadings, referring to Docket No. FD 35898, must be filed with the Surface Transportation Board, 395 E Street, S.W., Washington, DC 20423-0001. In addition, a copy of each pleading must be served on Robert A.

Wimbish, Fletcher & Sippel LLC, 29 North Wacker Drive, Suite 920, Chicago,
IL 60606-2832.

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“WWW.STB.DOT.GOV.”

Decided: January 23, 2015.

By the Board, Rachel D. Campbell, Director, Office of Proceedings.